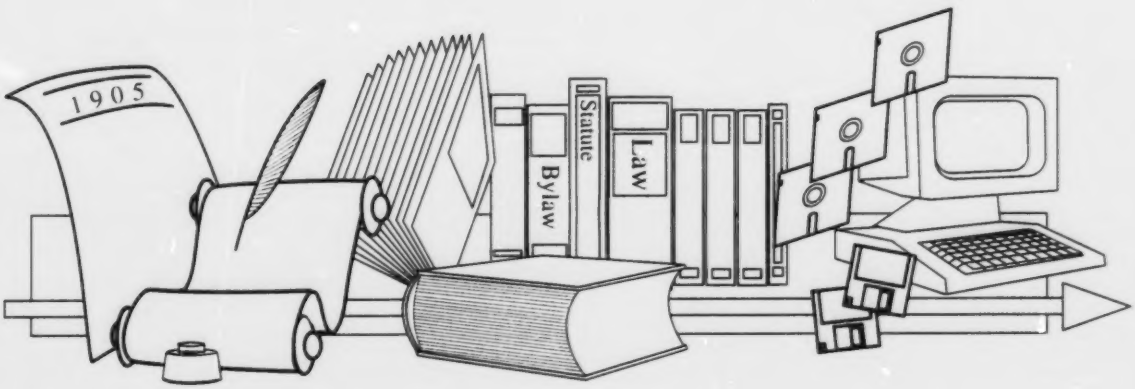
Legislation Paper

Discussion Draft

Property Assessment Act

Response Deadline: June 14, 1991



Alberta

Municipal Statutes Review Committee

91-04570/

FOREWORD

This Discussion Draft is another in the series of papers published by the Municipal Statutes Review Committee to generate discussion on provincial legislation affecting municipal government in Alberta.

READERS SHOULD UNDERSTAND THAT THE PROPOSALS IN THIS DISCUSSION DRAFT MAY BE CHANGED SUBSTANTIALLY BY THE COMMITTEE WHEN IT MAKES ITS FINAL REPORT IN RESPONSE TO COMMENTS RECEIVED.

THE PROPOSAL IN THIS DISCUSSION DRAFT HAS NOT BEEN SUBMITTED FOR POLICY APPROVAL BY THE GOVERNMENT PRIOR TO PUBLICATION OF THIS PAPER.

THE COMMITTEE'S FINAL REPORT ON THIS PROPOSAL WILL BE MADE IN LATE JUNE, 1991. AT THAT TIME THE GOVERNMENT WILL REVIEW THE REPORT AND MAY CHANGE IT FROM A POLICY PERSPECTIVE. IT MAY ALSO BE ALTERED FROM A DRAFTING PERSPECTIVE DURING THE VARIOUS STAGES OF LEGISLATIVE REVIEW.

Interested persons are invited to submit comments or suggestions on or before June 14, 1991, to

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BACKGROUND

In June, 1988, the Municipal Statutes Review Committee distributed the Preliminary Draft Discussion Paper No. 4 titled "How should municipalities be financed?" Among the questions raised in the paper was "Should Alberta move to assessments based on 100% of market value for land and buildings?"

Responses indicated sufficient interest that the Committee decided it should pursue the matter further. In November 1988, the Second Draft Discussion Papers proposed that assessment should be based on 100% of market value (with some exceptions such as farmland).

In October, 1990, the Committee published a Special Issue Paper on Assessment in which it reported its conclusion that

> "the people and municipal governments of Alberta would be best served if a market value approach to assessment was used by a central assessment administration, referred to as an assessment authority"

and invited comments on that conclusion.

Responses received indicated a general support for a market based assessment system.

Status	Equalized Assessment	Population
Cities	90.6%	89.7%
Towns	23.2%	24.4%
Villages	19.2%	12.2%
Rurals	51.0%	45.1%
Total	72.6%	72.1%

The percentages shown are for the equalized assessment or population within the status of municipality represented by those who responded positively. The "total" is the percentage of all the equalized assessment or population in the province represented by those who responded positively.

Opposition was expressed by municipalities representing 3.6% of the equalized assessment and 2.7% of the population. Rurals (12.5% and 13.7%) were strongest in their opposition. No response was received from municipalities representing 23.8% of the equalized assessment and 25.2% of the population.

Those opposed suggested that the use of market value would distort the distribution of taxation burden in rural municipalities if farmland was not assessed on its productive value. They also noted that some properties are not appropriate for a market evaluation because of their unqiueness or other factors. Concern was also expressed about how assessments would be produced for municipalities in which there were no sales on which to base market estimations.

COMMITTEE POSITION

The Committee remains convinced that the people and municipal governments of Alberta would be best served by a market based assessment system. Therefore the Committee has drafted an Act which presents a proposal for direct comment.

In this draft Act, it is assumed that the Alberta Municipal Assessment Corporation will be formed. An opportunity to comment on the proposed Corporation is provided in a companion Discussion Paper. Readers are asked to review this paper as applying (with necessary modifications) to assessment conducted by whatever agency the government finally decides following consideration of the Committee's final report on assessment administration (to be published in late June).

The Committee is aware that many transitional issues remain to be addressed and that these are of particular interest to both municipalities and assessors. The role of the Committee, however, is recommend policy to the government. The government, upon adoption of the policy, is responsible for its implementation. The Committee is confident that the government would be cognizant of the effects on municipalities and individuals when implementing this new assessment system.

The Committee would welcome the comments of anyone interested in maintaining and improving uniform and consistent assessment in Alberta. It would be particularly useful to the Committee if an explanation of any concerns could be included in the comments.

DISCUSSION DRAFT

PROPOSED
PROPERTY ASSESSMENT ACT

April 1991

PROPOSED PROPERTY ASSESSMENT ACT

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Introduction

Brief history of municipal government taxation in Alberta

There have been a variety of taxes used to raise revenue for municipal government in Alberta since 1905 when Alberta became a Province. Land has been the main source of municipal taxation, but poll and income taxes have also been levied by municipal governments from time to time. Poll taxes were levied by so called "statute labour"[1] and municipally imposed income taxes were levied until 1939.

Municipally imposed personal property taxes as a source of municipal revenue were ostensibly dropped in 1959 but still persist in some forms, for example based on assessment of well site equipment, drag lines and certain mobile homes.

Between 1893-1920 no taxes were levied on improvements. That policy resulted in the practice to the present day of valuing land as if it were vacant.

Methods of assessment have varied over time, sometimes reflecting a 'market' concept and at other times not. And the amount of value has varied as well. In 1904 the Edmonton Charter called for assessments at fair actual value having regard to situation and use. In 1926, partial value assessments were introduced. These assessments allowed the tax rate to be levied on a percentage of actual value.

The distinction between land and improvements continued. They were given partial values at different percentages until the period 1977-1982. At that time the percentages of actual value applying to land and improvements were set at the same level. That had the effect of shifting taxes from properties with a high land to improvement ratio to properties with a high improvement to land ratio.

What is the structure of this draft?

The draft is in 6 Parts.

Part 1 is about the basic process for the valuation of property for property tax purposes. It answers the following questions:

- what is valued?

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1 The Statute Labour and Fire District Ordinance 1890 levied tax on the owners and occupants of rural areas on an acreage basis. The levy was stated in terms of statute labour days. Money payments could be substituted for days of labour.

- how is it valued?
- who is treated as the owner for the purposes of the valuation?
- how do supplementary assessments work?
- what goes on valuation rolls and when are they sent?
- how are regulations made, and how can property be classified for property tax purposes?

Part 2 sets out the complaint and appeal process. Complaints go to Boards of Revision. Appeals from Board decisions go to Appeal Panels. In this Part you will find answers to these questions:

- how and when do you get a valuation notice and what does it contain?
- what are the rights of an assessed owner?
- what information can you get to prepare a complaint?
- who can complain to a Board of Revision?
- how does someone complain to a Board of Revision?
- who can appeal to the Appeal Panel?
- how do you appeal?

Part 3 is about assessing property for community taxes. Community taxes are business taxes, special taxes, Provincially authorized municipal taxes and local improvement taxes. The complaint and appeal procedure is the same as it is in Part 2.

Part 4 sets up an Appointments Committee which administers the valuation and assessment complaint and appeal process, appoints members of Boards of Revision and Appeal Panels, and generally is responsible for an efficient appeal process.

Part 5 deals with offences and penalties.

Part 6 is about transitional provisions and consequential amendments.

At the end of the draft there are 3 Schedules.

Schedule 1 lists the property which is exempt from valuation and assessment.

Schedule 2 defines the words which have special meanings in the Act, for example, "*property*", "*assessor*", "*assessed value*".

Finally, Schedule 3 contains examples of how the valuation, complaint and appeal processes would work.

What is new about this draft?

There are a number of new features in the draft proposed *Property Assessment Act*.

(1) Market value approach to valuation

This draft does <u>not</u> change the method of valuing farmland. Farmland will continue to be valued according to its productive value as farmland and farm buildings will continue to be exempt from valuation.

The method of valuing pipelines, transmission lines, railway lines and the like (called linear property in the draft) is also unchanged. Rating formulae will continue to be fixed by regulations for these and other types of property for which value is difficult to find.

For consistency, the draft deems these <u>prescribed</u> methods (i.e., methods prescribed by the draft) for valuing farmland and "difficult to value" property to be the "market value" approach.

For all other properties, the draft allows an assessor a more flexible approach to valuation.

Existing legislation forces an assessor to use a method prescribed by regulations to determine the fair actual value of property. Sometimes the methods prescribed in the regulations are consistent with a market value approach (as for example in the case of most residential assessments) but that is not always so.

A market value approach allows for at least three different methods of valuing property

- cost method

  which is based on the proposition that an informed purchaser would pay no more than the cost of producing a substitute property being used for the same purpose as the existing property. It is particularly applicable when the property being assessed involves relatively new improvements which represent the highest and best use of the land or when relatively unique or specialized improvements are located on the property for which there exist no comparable properties on the market.

- income method

  which is a method of estimating the present value of anticipated income benefits as the amount that a prudent, typically informed purchaser would be willing to pay at a fixed time for the right to receive the income produced by a particular property.

- comparable sales method

  which uses sale prices to estimate the value of properties when there are comparable properties, comparable transactions and comparable market conditions.

Except for farmland and "difficult to value" property, the market value standard proposed in this draft allows an assessor to choose from among various methods the one which best reflects the market in the particular circumstances and for particular properties. It helps to create an objective approach to the initial valuation.

Advantages of Market Value

The market value standard for all property valuations is said to have a number of advantages:

recognition	Market value is a widely accepted concept in appraisal literature. The general public is familiar with the term and is confident of its inherent fairness. It provides a consistent basis for appealing and adjudicating assessments.
flexibility	Market value is applicable to all types of property. Its validity is not affected by the age or size of a property. It applies across municipal and other jurisdictional boundaries.
current valuation date	All property must be valued as of a specific and current valuation date (including property not actively on the market and that may not even be marketable). July 1 is the date proposed as the valuation date each

year.

standardized methodology and common data	Uniformity of value, which leads to certainty and equity in taxation, is enhanced when procedures and data is standardized. Efficiency is also increased by applying standard methodology and using common data.
statistical testing	Auditing of the values for accurate and consistent adherence to the market value standard increases equity and accuracy. In recent years significant advances have been made in the statistical testing of market value estimates.

(2) Valuing land together with improvements

One consequence of the market value approach is that in most cases land is valued together with the improvements on it (whether the improvements are residences, pipelines or other structures). Valuing improvements separately from land, as the present legislation requires, tends to be a highly artificial exercise which requires an assessor to make distinctions which the market may not recognize or reflect. However, to help owners understand the valuation, this draft still requires land and improvement values to be separately recorded on valuation rolls and notices.

(3) Assessments at 100% of value

Another aspect of the proposed *Property Assessment Act* which maintains the objectivity of the initial market valuation and separates the valuation process from tax policy is the move to valuing property at 100% of value. Presently most properties are assessed at 65% of their value. Under this draft policy distinctions between different types of properties will be made completely by municipalities through the tax rate they apply to property or particular classes of property.

In addition, the initial market value figure for property will be more reliable (for the purposes of calculating Provincial grants, and regional growth trends, for example); at the same time municipal tax policies should be easier to identify and to apply.

(4) Exemptions from taxation, not assessment

A further change in emphasis in the proposed legislation is the reduction of the number of properties that are exempt from assessment. This leads to more reliable calculation of the property tax base (and of the revenue foregone by granting tax exemptions). Only in very limited cases does the draft propose to maintain the current exemptions from assessment. These exemptions mainly relate to infrastructure which is not likely to be taxed and so assessment of them would not be a productive use of the assessors' time.

(For those properties that are exempt from property taxes readers are referred to the *Municipal Government Act* recommended by the Municipal Statutes Review Committee.)

(5) Consistency across municipal boundaries

Another major advantage of this objective approach to valuation is that it results in consistency across municipal and other jurisdictional boundaries. This too makes the data more reliable for calculating Provincial grants and for other purposes. There should be no need for an assessment equalization process.

Consistency is further enhanced by the proposed establishment of an Alberta Municipal Assessment Corporation as the agency responsible for valuing property and collecting and making available the data needed to apply the market standard. Regional and local offices, with computer links, will mean Province wide data is immediately available to assessors. This will help uniformity and equity in valuation.

(The Municipal Statutes Review Committee has released a separate discussion draft of proposed legislation setting up the Corporation. The draft is called the *Alberta Municipal Assessment Corporation Act*.)

(6) More frequent assessments

This draft proposes that there will be a new valuation every year. This means valuations will be a lot more current than under our present system. This should increase both public confidence in the system and the usefulness of the data for other purposes.

(7) How does assessment relate to taxation?

A major objective of the proposed legislation is to separate the valuation process from tax policy. The task of the Alberta Municipal Assessment Corporation will be a technical one although with the potential to be highly innovative in some areas. The Municipal Assessment Corporation is responsible for providing municipalities

- with objective values for their property tax base (by providing municipalities with an annual property valuation roll), and

- an assessment base for community taxes (by providing an appropriate assessment roll for the proposed tax - a business assessment roll for business taxes for example). ("Community taxes" means all those taxes a municipality can impose <u>other</u> than under a property tax bylaw - local improvement taxes, business taxes and special taxes for example.)

Municipal governments will control how much tax they levy through tax exemptions and tax rates applied to the various classes of property in a municipality. They will have more control than under the present system (in which the system of valuation itself often reflects tax policies).

Electors will be able to hold their municipal council directly accountable for tax policy decisions because the decisions will become easier to understand. The valuation process too will be more understandable to taxpayers making for a more accessible, and so more democratic, system of municipal government.

(8) A revised complaint and appeal process

Because the proposed Alberta Municipal Assessment Corporation will prepare property valuation rolls and assessment rolls, both assessed owners <u>and</u> municipalities should be able to complain about errors or omissions. It would not be, nor be seen to be, fair if a municipality could both complain <u>and</u> appoint the body to whom the complaint is made.

This draft proposes an Appointments Committee to set up Boards of Revision to listen to initial complaints, and if the complaint is not settled an Appeal Panel will decide the matter. A further appeal can be made to the Court of Queen's Bench.

(9) Assessment for community taxes

This draft proposes that the Municipal Assessment Corporation also prepare assessments for community taxes (i.e., business taxes, special taxes, Provincially authorized municipal taxes and local improvement taxes). Following passage of a bylaw authorizing an assessment for a community tax the Municipal Assessment Corporation would complete the assessment, deliver an assessment roll to the municipality and send out assessment notices.

Assessed owners are given rights to file a complaint about and appeal the assessment.

* * *

In this introduction the words "assessment" and "valuation" have been used interchangeably. In the following draft the word "valuation" has been used to describe the exercise of determining market value. "Assessment" has been used to describe other means of establishing the basis on which community taxes can be imposed.

DISCUSSION DRAFT

PROPOSED PROPERTY ASSESSMENT ACT

Note: Some words in this draft have specially defined meanings. The special meanings are set out in Schedule 2 of this draft.

(Enacting words)

1 Purpose

The purpose of this Act is to establish a means to provide uniform and equitable assessed values and assessments for property and businesses in municipalities.

PART 1

THE VALUATION OF PROPERTY

Division 1
Liability of property to valuation and the valuation standard to be used

2 What property is liable to valuation?

All property in a municipality is liable to valuation in accordance with this Part and the regulations, unless the property is exempt from valuation and assessment under Schedule 1.

3 What is the valuation standard?

(1) Property that is liable to valuation is to be valued by an assessor on the basis of its market value on July 1 each year, in accordance with subsection (2).

(2) This means,

(a) farm property is to be valued on the basis of its productive value as

farm property for farming operations;

(b) for property described in the regulations (for which a market value may be difficult to determine), the property is to be valued in accordance with the regulations;

(c) for all other property liable to valuation, the property is to be valued on the basis of the most probable amount of money that it should bring if it were sold in a competitive and open market.[2]

(3) An assessor may value several parcels of land and the improvements on them as one property, or may value parts of parcels and the improvements on them separately, in order to obtain a market value of property.

(4) A valuation of property gives the property an assessed value.

4 Who is the assessed owner?

The person to be named as the assessed owner of property in a property valuation roll and supplementary valuation roll is:

(a) for land and improvements owned by the Crown in right of Alberta that is liable to valuation, the person who occupies the land under a lease, license or permit from the Crown;

(b) for a well site under a lease, license or permit from the Crown in right of Alberta, the occupier under the lease, license or permit;

(c) for land and improvements occupied under a right of entry order under the *Surface Rights Act*, the occupier under the order;

(d) for improvements on land used, intended to be used or capable of being used for the purpose of

(i) working any mines or minerals in or under that land or in or under land in the vicinity of it,

(ii) drilling for oil, salt or natural gas, or

(iii) operating a well for oil, salt or natural gas,

2 Section 4(e) is an exception to the general rule.

the occupier of the improvements under a lease, licence or permit from the owner of the land of a part of the surface of the land;

(e) when a person occupies any part of the surface of a parcel of land under a lease, licence or permit from the owner of the parcel for any of the purposes specified in clause (d),

(i) if the lease, licence or permit is held of the Crown, the leasehold interest in the land so occupied by that person is to be assessed to that person as if the person were the owner of the land, or

(ii) if the lease, licence or permit is not held of the Crown, the land so occupied by that person must be assessed to the owner of the parcel, determined under clause (j),

but the valuation of it must not exceed the valuation of farm property adjacent to the land held under the lease, licence or permit;

(f) for linear property that is

(i) a pipeline,

(ii) a works or transmission line, or

(iii) a telecommunications line or system,

the person occupying or operating the line, system or facility;

(g) for a railway that is leased, the lessee of the railway;

(h) for improvements that are a spur track or railway siding under a lease or siding agreement from a railway company, the occupier of the improvements;

(i) for land and improvements owned by the Board of Directors of an Irrigation District that is leased exclusively for holiday or recreational purposes, or both, the lessee of the land and improvements;

(j) in all other cases, the owner of the property being

(i) in respect of land and improvements, the person who is

registered under the *Land Titles Act* as the registered owner of the parcel, and

(ii) in respect of other property, the person in lawful possession of it.

Division 2
Supplementary valuation of land and improvements[3]

5 Resolution requesting supplementary valuation

(1) This Division does not apply unless a council passes a resolution before July 1 in a calendar year requesting the Municipal Assessment Corporation to make a supplementary valuation of improvements for the preceding calendar year.

(2) A resolution under subsection (1) remains in effect from year to year until it is rescinded.

6 Liability of improvements to a supplementary valuation

(1) The following improvements are liable to a supplementary valuation:

(a) improvements completed in the preceding year and that were not previously valued,

(b) improvements completely or partly occupied in the preceding calendar year and that were not previously valued, and

(c) improvements moved into the municipality in the preceding calendar year and that were not the subject of a property tax bylaw of any municipality for that year.

(2) In this section and section 7 "preceding year" means the calendar year preceding the year in which an assessor actually makes the supplementary valuation.

3 Note that supplementary valuations would be permitted for improvements only.

7 Supplementary valuation

(1) The supplementary valuation must be of any increase in the value of the improvements between

(a) the assessed value of the improvements in the preceding calendar year (if any), and

(b) the value of the land and improvements on December 31 of the preceding calendar year.

NOTE TO READER: Comments are requested on the most appropriate date for valuing improvements included on a supplementary valuation roll.

Division 3
Property valuation rolls and supplementary valuation rolls

8 Delivery of rolls to municipality

(1) On or before September 30 every year the Municipal Assessment Corporation must send a property valuation roll to each municipality.

(2) The Municipal Assessment Corporation must send a supplementary valuation roll to a municipality as soon as practicable after a supplementary valuation of improvements in the municipality is complete.

9 Contents of rolls

(1) Each property valuation roll must contain, for each property liable to valuation under this Part,

(a) a description of the assessed property;

(b) the name and address of the assessed owner, being the person described in section 4;

(c) the assessed value, showing separate values for the land and the improvements, when applicable;

(d) whether the assessed owner is a public school supporter or a separate school supporter;

(e) an indication of whether the assessed property is exempt from taxation under a property tax bylaw;

(f) if necessary, the type, classification or subclassification into which, in the opinion of an assessor, the assessed property falls, determined in accordance with the applicable property classification bylaw.[4]

(2) A supplementary valuation roll must show

(a) the same information as is required to be shown on a property valuation roll, and

(b) the date on which an improvement was completed, occupied, or moved into the municipality and which will form the basis for determining liability to property tax under section 244 of the recommended *Municipal Government Act*.

10 Amendments to property valuation roll

(1) On or before January 31 each year the Municipal Assessment Corporation must send to each municipality notice of changes to the property valuation roll prepared for the municipality in the preceding year which arise from

(a) corrections of errors and omissions, and revisions to update information, none of which affect the assessed value of property, and

(b) decisions of Boards of Revision, Appeal Panels and the courts,

and a list of the assessed property in respect of which appeals remain outstanding.

(2) The property valuation roll delivered under section 8(1), as amended by the changes referred to in subsection (1), and as it may be further amended by a later decision of a court, is the property valuation roll of the

4 For the adoption of a property classification system see section 13.

municipality.

(3) It is the property valuation roll described in subsection (2), as amended, upon which a property tax bylaw may impose a tax rate to establish a property tax under the recommended *Municipal Government Act*.

11 Amendments to supplementary valuation roll

(1) As soon as practicable after appeals about supplementary valuations to Appeal Panels have been decided the Municipal Assessment Corporation must send to the affected municipality notice of changes to the supplementary valuation roll which arise from

(a) corrections of errors and omissions, and revisions to update information, none of which affect the assessed value of the property, and

(b) decisions of Boards of Revision, Appeal Panels and the courts,

and a list of the property for which appeals about supplementary valuations are outstanding.

(2) The supplementary valuation roll sent under section 8(2), as amended by the changes referred to in subsection (1) of this section, and as it may be further amended by a later decision of a court, is the supplementary valuation roll of the municipality.

(3) It is the supplementary valuation roll described in subsection (2), as amended, upon which a supplementary property tax bylaw may impose a tax rate to establish a supplementary property tax under the recommended *Municipal Government Act*.

Division 4
Regulation of market value
and classification of property

12 Regulating market value standards

The Minister may make regulations

(a) describing the types or categories of property or part of property for

which a market value prescribed by regulation is to be used to value property;

(b) defining market value for all or any of the types or categories of property established by regulations;

(c) respecting annual production requirements for the purposes of determining whether land is "farmland" or farm property, including

(i) the level of income that constitutes an income sufficient to provide a livelihood from farm property, and

(ii) the method of determining that income;

(d) describing parcels or parts of parcels of land that must be assessed as farmland for the purposes of this Act and the regulations;

(e) exempting machinery or equipment from the definition of "land and improvements"[5].

NOTE TO READER: MSRC proposes that the existing regulations relating to "urban farmland" be continued (AR 166/89 as amended by AR 300/89).

13 Property classification system[6]

A council may pass bylaws adopting as the property classification system for the municipality

(a) one or more methods or systems of classification of property established by the Municipal Assessment Corporation, or

(b) particular types, classifications or subclassifications of property established by the Municipal Assessment Corporation.

5 "land and improvements" is defined in Schedule 2.

6 The *Alberta Municipal Assessment Corporation Act* requires the Corporation to establish classifications and systems of classification. The classification groupings would be used for split tax rates that are permitted under the recommended *Municipal Government Act*.

PART 2

VALUATION NOTICES, COMPLAINTS AND APPEALS

14 Definition

In this Part "you" means you, the assessed owner.[7]

Division 1
Valuation and supplementary valuation notices

15 When must you get a valuation or supplementary valuation notice?

(1) On or before September 30 every calendar year the Municipal Assessment Corporation must

(a) prepare a valuation notice for every assessed property shown on a property valuation roll, and

(b) mail the valuation notice to you.

(2) As soon as practicable after a supplementary valuation roll has been delivered to a municipality the Municipal Assessment Corporation must

(a) prepare a supplementary valuation notice for every assessed property shown on the supplementary valuation roll, and

(b) mail the supplementary valuation notice to you.

(3) If the mailing address of an assessed owner is unknown

(a) a copy of the valuation notice or supplementary valuation notice must be mailed to the property to which the notice relates, or

(b) if there is no mailing address, the valuation notice or supplementary

7 The "assessed owner" is usually the owner of property. In some special circumstances (described in section 4) the "assessed owner" is not the owner of property but the lessee or occupier of it.

valuation notice must be retained by the Municipal Assessment Corporation and is deemed to have been mailed to the assessed owner.

16 Valuation notices to purchasers

(1) A valuation notice must be mailed to a purchaser of assessed property if the Municipal Assessment Corporation receives notice in writing, in a form prescribed by it, requesting that valuation notices be mailed to the new owner.

(2) The new owner, with the consent of the former owner, may take over any complaint or appeal made by the former assessed owner under this Act.

17 What information must be shown on the valuation notice?

A valuation notice for assessed property must include

(a) the same information that is on the property valuation roll,[8]

(b) the date the valuation notice is mailed to the assessed owner,

(c) when and where the property valuation roll can be inspected,

(d) to whom and how a complaint can be filed about the assessed value of property or anything else shown on or omitted from the valuation notice, and

(e) the date by which the complaint must be made.

Division 2
Your rights as an assessed owner

18 What happens if you do not get a valuation notice or you get the wrong one?

(1) If you do not get a valuation notice or you get someone else's notice you

8 See section 9.

(or someone acting for you) may give the Municipal Assessment Corporation the reasons why your name or someone else's name should be on the valuation notice.

(2) If it is satisfied with the reasons you give, the Municipal Assessment Corporation must enter the correct name and the date of the change on a new valuation notice and mail it to you.

19 Access to your valuation record

(1) You may ask the Municipal Assessment Corporation to let you (or someone acting for you) see or give you a copy of the valuation record of the assessed value of your property.

(2) The Municipal Assessment Corporation must comply with a request under subsection (1).

20 Right to see the valuation record of other people's property

(1) You may ask the Municipal Assessment Corporation to let you (or someone acting for you) see or give you a copy of the valuation record of the assessed value of property for which you are not the assessed owner if you need that information to file a complaint about or appeal an assessed value.

(2) The Municipal Assessment Corporation must comply with the request under subsection (1) (or part of it) if it is satisfied that

(a) your request is genuine,

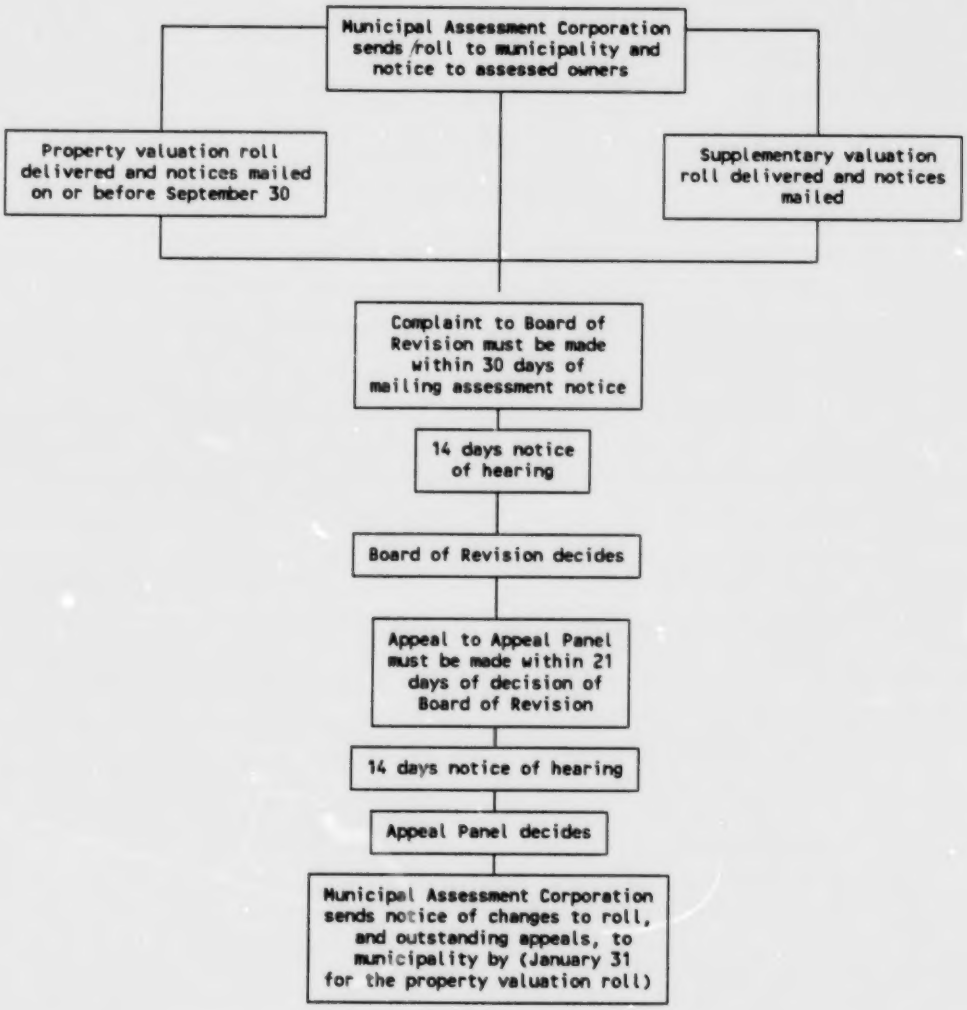
(b) necessary confidentiality will not be breached, and

(c) the release of the information otherwise complies with the rules of the Municipal Assessment Corporation.[9]

9 The rules are established by the Corporation under the proposed *Alberta Municipal Assessment Corporation Act* section 15.

21 The complaint and appeal process summarized

This chart summarizes the complaint and appeal process for valuations and supplementary valuations that is described in detail in the following sections


Municipal Assessment Corporation sends roll to municipality and notice to assessed owners
Property valuation roll delivered and notices mailed on or before September 30
Supplementary valuation roll delivered and notices mailed
Complaint to Board of Revision must be made within 30 days of mailing assessment notice
14 days notice of hearing
Board of Revision decides
Appeal to Appeal Panel must be made within 21 days of decision of Board of Revision
14 days notice of hearing
Appeal Panel decides
Municipal Assessment Corporation sends notice of changes to roll, and outstanding appeals, to municipality by (January 31 for the property valuation roll)

Complaints about valuations

22 What can you file a complaint about?

You can file a complaint with the Board of Revision about the assessed value of your property or about anything else on or omitted from a valuation notice.

23 When can a municipality file a complaint, and about what?

(1) A municipality can file a complaint with the Board of Revision about the assessed value of property in the municipality or about anything else on or omitted from a property valuation roll or valuation notice.

(2) One municipality can also file a complaint with the Board of Revision about all or any of the assessed values of property in another municipality.

24 How do you file a complaint?

(1) You can make your complaint by writing to the Board of Revision within 30 days from the date the valuation notice is mailed to you.

(2) You must

(a) give details of your complaint and your reasons for it, and

(b) the address where you can be contacted and to which notices can be sent.

(3) You lose your right to file a complaint if you do not do so within the required period, unless special permission is given by the Board of Revision.

25 How do municipalities file a complaint?

(1) A municipality makes its complaint by writing to the Board of Revision within 30 days from the date on which the last valuation notice is mailed

to an assessed owner in the municipality under section 15.

(2) The municipality must give details of the complaint and reasons for it, and the name of a designated officer of the municipality to whom notices can be sent.

(3) A municipality loses its right to file a complaint if it does not do so within the required period, unless special permission is given by the Board of Revision.

26 Time for hearing

(1) If the Board of Revision receives a written complaint in time, it must send you, the municipality, the Municipal Assessment Corporation, and every person it considers to be directly affected by the complaint, a notice of the date, time and the place at which the Board of Revision[10] will listen to the complaint.

(2) Hearing notices must be sent out on behalf of the Board of Revision at least 14 days before the date the Board of Revision will listen to the complaint.

27 What happens if you or others are not at the hearing?

If you, a municipality, the Municipal Assessment Corporation, or anyone who is given notice about a Board of Revision hearing, do not attend the hearing, the Board of Revision may still hold the hearing if it is satisfied that you and others affected had notice of it.

28 Written notice of the decision

The Board of Revision must send you, the municipality, the Municipal Assessment Corporation, and everyone else it considers to be directly affected by its decision, written notice of it, with or without reasons.

10 A "Board of Revision" is composed of one or more persons appointed by the Appointments Committee. (See section 53).

29 Board of Revision decisions

(1) A Board of Revision may

(a) direct the Municipal Assessment Corporation to correct the property valuation roll and mail you a corrected valuation notice;

(b) confirm the assessed value;

(c) refer the valuation back to the Municipal Assessment Corporation;

(d) order an assessed value to be changed.

(2) If a Board of Revision refers a matter back to the Municipal Assessment Corporation a subsequent assessed value can be appealed directly to an Appeal Panel in accordance with section 30.

Appeals about valuations

30 Appeals to the Appeal Panel

(1) You, a municipality, the Municipal Assessment Corporation, or any other person directly affected by a decision of the Board of Revision, may appeal the decision to an Appeal Panel.

(2) Written notice stating the reasons for the appeal must be received by the Appeal Panel within 21 days following the date the decision of the Board of Revision is served on the appellant.

31 Time for hearing

(1) If the Appeal Panel receives a written appeal in time, it must send a copy of the notice of appeal, and a notice of the time, date and place at which the appeal will be heard, to you, the municipality, the Municipal Assessment Corporation and every person it considers to be directly affected by the appeal.

(2) Hearing notices must be sent out at least 14 days before the date of the hearing.

32 What happens if you or others are not at the hearing?

(1) If you or anyone else given notice about the appeal is not at the hearing the Appeal Panel may still hold the hearing if it is satisfied you and others affected had notice of it.

(2) The Appeal Panel must send you, the municipality, the Municipal Assessment Corporation, and any other person it considers to be directly affected by its decision, written notice of it, with or without reasons, unless subsection (3) applies.

(3) An Appeal Panel must give reasons for its decision if any person directly affected by the appeal asks for reasons either before or within 14 days of receiving the Panel's decision.

33 What kinds of decision can the Appeal Panel make?

(1) The Appeal Panel must give its decision in writing to the persons directly affected by the appeal and may

(a) direct the Municipal Assessment Corporation to correct the property valuation roll and send you a corrected valuation notice;

(b) confirm the assessed value;

(c) refer the valuation back to the Municipal Assessment Corporation;

(d) order an assessed value to be changed.

(2) If an Appeal Panel refers a matter back to the Municipal Assessment Corporation a subsequent assessed value may be appealed directly to the Appeal Panel in accordance with section 30.

Complaints and appeals from supplementary property valuation

34 Complaints and appeals from supplementary property valuation

Sections 22 to 33 apply to assessed owners, municipalities, the Municipal Assessment Corporation and supplementary valuation notices with the necessary changes.

Division 3
Procedural matters

35 Composition of Boards of Revision and Appeal Panels

(1) A Board of Revision may consist of one or more members.

(2) An Appeal Panel must consist of at least 3 members.[11]

36 Decision making

(1) If there are 3 or more members of a Board of Revision or an Appeal Board, a decision of a majority of the members of the Board or Panel is its decision.

(2) If there is no majority, the decision of the person chairing the Board of Revision or Appeal Panel is the decision of the Board or Panel.

(3) If the appointment of a member of a Board of Revision or Appeal Panel ends, the member may complete the duties or responsibilities that the person has as a member of the Board of Revision or Appeal Panel, and continue to exercise the powers that the member would have had if the member had remained a member of the Board of Panel, until the proceeding is finished in all respects.

11 Appointments to Boards of Revision and Appeal Panels are dealt with in section 53.

37 Costs

(1) The costs of and incidental to proceedings before a Board of Revision or an Appeal Panel are in the discretion of the Board or Panel.

(2) A Board of Revision or Appeal Panel may order by whom and to whom any costs are to be paid, and by whom they are to be determined and allowed.

38 Evidence may be under oath or affirmation

(1) Although the procedure before Boards of Revision and Appeal Panels is intended to be as informal as circumstances permit, the Board or Panel may require anyone giving evidence to do so under oath.

(2) Members of Boards of Revision and Appeal Panels are commissioners for oaths while acting in their official capacities.

39 Onus of justifying assessed values

(1) At Board of Revision or Appeal Panel hearings it is up to an assessor to show that the assessed value of property shown on a valuation notice is correct, unless the assessed owner was uncooperative

(a) during a valuation, or

(b) in providing information needed by the assessor to make the valuation.

(2) If, in the opinion of the Board of Revision or Appeal Panel, an assessed owner was uncooperative, then it is up to the assessed owner to establish that the assessed value of property is wrong.

40 Rules of evidence not to apply

Boards of Revision and Appeal Panels

(a) are not bound by the rules of evidence applicable to judicial proceedings, and

(b) may accept any oral, written or other evidence that they consider proper, whether admissible in a court of law or not.

41 Notice to attend or produce

(1) When in the opinion of a Board of Revision or Appeal Panel

(a) the attendance of a person is required or the attendance of a person to produce a document or other thing is required, or

(b) the production of a document or other thing is required,

the Board or Panel may cause to be served on the person concerned a notice to attend or a notice to attend and produce a document or other thing, as the case may be.

(2) If a person fails or refuses to comply with

(a) a notice to attend, or

(b) a notice to attend and produce a document or other thing,

a judge of the Court of Queen's Bench, on application of the Board of Revision or the Appeal Panel may issue a warrant requiring the attendance of the person or the attendance of the person to produce the document or other thing.

42 Protection of witnesses

A witness may be examined under oath on anything relevant to a matter before a Board of Revision or Appeal Panel and is not excused from answering any question on the grounds that the answer might tend to

(a) incriminate the witness,

(b) subject the witness to punishment under this or any other Act, or

(c) establish liability of the witness

(i) to a civil proceeding at the instance of the Crown in right of Alberta or of any other person, or

(ii) to prosecution under any Act,

but if the answer so given tends to incriminate the witness, subject the witness to punishment or establish liability of the witness, it must not be used or received against the witness in any civil proceedings or in any other proceedings under this or any other Act, except in a prosecution for or proceedings in respect of perjury or the giving of contradictory evidence.

43 Technical irregularities

(1) No proceeding or decision of the Board of Revision or Appeal Panel is invalid because of

(a) a defect of form,

(b) a technical irregularity, or

(c) informality, if there has been substantial compliance with the requirements of this Act.

(2) A Board of Revision or Appeal Panel may correct a typographical, clerical or arithmetic error or omission in a decision made by it.

44 Admissible evidence

(1) A decision purporting to be signed by the person who chaired a Board of Revision or Appeal Panel, is admissible in evidence that it

(a) is the decision and its contents, and

(b) was properly signed,

without proof of the appointment or signature.

(2) A copy of a decision of a Board of Revision or Appeal Panel having endorsed on it a certificate purporting to be signed by the secretary of the Appointments Committee[12], which states that the copy is a true copy of

12 The Appointments Committee is set up by section 57.

a Board or Panel decision, is admissible as evidence of the decision and its contents without proof of the appointment or signature of the secretary.

PART 3

ASSESSMENTS FOR COMMUNITY TAXES

COMMENT:

1 The assessed value of property forms the basis on which a tax rate is imposed under a property tax bylaw to generate property tax under the recommended *Municipal Government Act*

2 The recommended MGA proposes other taxes, in addition to property tax. They are:

(a) business taxes;

(b) special taxes;

(c) Provincially authorized municipal taxes;

(d) local improvement taxes.

In this draft they have been collectively called "community taxes".

For community taxes this draft proposes that there be flexibility over how the assessment is done (ie. the basis on which assessments are made).

Taking business assessment as an example:

Instead of prescribing how the assessment is to be done (as the existing *Municipal Taxation Act* states) this draft proposes a more flexible approach.

(1) First there must be a method of assessing the business.

(a) there could be calculation of area, parcel size, volume of area in a building,

(b) there could be a value assessment of the business - the value of the business, or

(c) more simply a percentage of the market valuation of property could be taken as the assessment for a business.

Whichever method of assessment is used (and this draft proposes that the method will be chosen by municipalities from a series of "assessment packages" prepared by the Municipal Assessment Corporation) this draft proposes that the Municipal Assessment Corporation will do the assessment.

(2) Once the assessment is done, the roll prepared and complaints and appeals heard, the municipality will impose the business tax through the application of a "business tax rate" to the business assessment.

The tax rate is already defined in the recommended MGA as either a unit of measurement or a value expressed in relation to a dollar that is prescribed by bylaw. The way in which the tax rate is described will depend on how the assessment is done.

For example, if the assessment of a business is made on the basis of "area of business use", the tax rate must be a value expressed in terms of a dollar value.

If the business assessment is based on value then the tax rate must be a unit of measurement.

(3) For other community taxes a similar system of assessment is proposed. Depending on the tax, the municipality will pick an appropriate form of assessment from one of the Municipal Assessment Corporation's "packages".

The Municipal Assessment Corporation would complete the assessment, deliver the roll and send out appropriate notices. After complaints and appeals the tax would be imposed.

To summarize:

This draft and the *Alberta Municipal Assessment Corporation Act* propose

(a) the Municipal Assessment Corporation create "assessment packages" (see s14(2)(b) of the *Alberta Municipal Assessment Corporation Act*);

(b) municipalities decide which method of assessment they want undertaken for each community tax they want to impose;

(c) in the course of deciding which assessment method to choose the Municipal Assessment Corporation can tell the municipality

  (i) what the assessment costs will be;

  (ii) whether the assessment method is feasible - and whether the Corporation can suggest alternatives.

Obviously it is to everyone's advantage if the assessment method chosen is efficient and will be effective. Input by the Municipal Assessment Corporation early in the process can ensure that happens.

Once a municipality passes a bylaw requesting an assessment to be undertaken the Municipal Assessment Corporation will comply and produce an appropriate assessment roll.

The rules about preparing assessment rolls, assessment notices and assessment appeals would apply to assessments for community tax purposes in much the same way as it applies to valuations for property tax purposes.

PART 3

ASSESSMENTS FOR COMMUNITY TAXES

Division 1
The assessment of property and businesses

45 Liability of businesses and property to assessment under bylaws

All businesses and property are liable to assessment in accordance with a community assessment bylaw made under this Part, except for the property exempt from valuation and assessment under Schedule 1.

46 Community assessment bylaws

(1) A community assessment bylaw passed by a council

(a) must state the purpose of the assessment;

(b) must state that all businesses or property liable to assessment, or both, are to be assessed in accordance with the bylaw or specify the businesses or property that are to be so assessed;

(c) if the council wishes to classify businesses, must adopt one or more of the types or classifications and subclassifications of businesses or property established by the Municipal Assessment Corporation;

(d) may require assessments all businesses or property referred to in clause (c), or for particular types, classifications or subclassifications of businesses or property;

(e) must state which of the one or more methods of assessment established by the Municipal Assessment Corporation[13] is to be used by the Corporation in conducting the assessment;

(f) may include such other matters as are required respecting the

13 The methods of assessment are established by the Municipal Assessment Corporation under section 14(2)(b) of the *Alberta Municipal Assessment Corporation Act*.

assessment.

(2) A community assessment bylaw has effect from year to year unless the bylaw otherwise provides.

(3) The chief administrative officer of a municipality must send to the Municipal Assessment Corporation a certified copy of every community assessment bylaw, all amendments to it, and any repeal of it, as soon as possible after it is passed.

47 Duties of the Municipal Assessment Corporation

When the Municipal Assessment Corporation receives a community assessment bylaw passed in accordance with this Part, the Municipal Assessment Corporation must, in accordance with the bylaw,

(a) cause an assessor to make the assessment of the businesses or property in accordance with the bylaw, and

(b) each year to which the bylaw applies for which a new or revised assessment is required, deliver to the municipality an appropriately named assessment roll.

48 Supplementary assessments

The Municipal Assessment Corporation must make a supplementary assessment of businesses or property if so required by a resolution of council.

49 Contents of assessment and supplementary assessment rolls

(1) An assessment roll must show, for each property or business liable to assessment,

(a) the purpose of the assessment;

(b) a description of the assessed property or assessed business;

(c) the name and address of the assessed owner, being as the case requires

(i) for property, the person described in section 4, or

(ii) for a business, the owner of the business;

(d) the assessment, being either a value, a unit of measurement or some other form of assessment determined in accordance with a community assessment bylaw;

(e) an indication of whether the assessed property or assessed business is exempt from the community tax;

(f) if necessary, the type, classification or subclassification into which, in the opinion of an assessor, the assessed property or assessed business falls, determined in accordance with a type, classification or subclassification adopted by the community assessment bylaw of the municipality.

(2) If a supplementary assessment is required, the supplementary assessment roll must show

(a) the same information that is required to be shown on the assessment roll, and

(b) the date for determining the liability of any additional tax that may be imposed as a result of the supplementary assessment.

NOTE TO READER:

1 Although these sections are very basic, the control mechanism against over taxation is in the recommended *Municipal Government Act* where the purpose for which community taxes can be imposed is stated.

Are the controls adequate (note that changes would be needed to the business tax exemptions in the recommended MGA to deal with the broader definition of "business"). For example, should the exemption from business taxation continue if property has been subject to a property tax, or should that be left for municipal discretion?

2 If this approach is satisfactory a number of the sections of the recommended MGA will need revising. (For example, some of the assessment rules for a local improvement tax could be left to the Municipal Assessment Corporation to deal with.)

Division 2

Assessment notices, complaints and appeals

50 Definition

In this Division "***assessment notice***" means an assessment notice about property or a business that is assessed in accordance with a community assessment bylaw.

51 Application of Part 2

Section 15 to 33 and 35 to 44 apply to assessed owners, municipalities, the Municipal Assessment Corporation, assessed property, assessed businesses, assessment and supplementary assessment rolls, assessment records, assessment notices and supplementary assessment notices with the necessary changes including:

(a) section 15(1) does not apply and in its place the following applies

(1) As soon as practicable after an assessment roll has been delivered to a municipality the Municipal Assessment Corporation must

(a) prepare an assessment notice for every assessed property or assessed business shown on the assessment roll, and

(b) mail the assessment notice to you.

PART 4

APPOINTMENTS COMMITTEE

Division 1
Structure and operation

52 Establishment

(1) The Appointments Committee is established.

(2) The Committee is composed of persons appointed as its members by the Lieutenant Governor in Council, one of whom must be designated to chair the Committee, and others of whom may be designated as vice-chair.

(3) The members of the Committee must be appointed to hold office for terms

(a) not exceeding 5 years in the case of the Committee Chair and vice chairs, and

(b) prescribed by the Minister in the case of other members.

(4) Members of the Committee may be reappointed one or more times.

53 Responsibilities

(1) The Appointments Committee must appoint, from nominations made by councils or from the general public, or both,

(a) members of Boards of Revision, and

(b) members of Appeal Panels,

for particular hearings or for specified periods of time, and when necessary, designate one member to chair the Board or Panel.

(2) The Appointments Committee must appoint a sufficient number of Boards of Revision and Appeal Panels to deal quickly and efficiently with complaints filed and appeals made under this Act.

(3) The Appointments Committee is responsible for the overall administration

of complaints and appeals, the holding of hearings and the notices to be given, but may delegate that task, and permit subdelegation.

(4) The Appointments Committee may make its own rules for its meetings, quorum and general administration and organization.

54 Fees and expenses

The members of the Appointments Committee, Boards of Revision and Appeal Panels are to be paid the remuneration, or fees and expenses, for their services prescribed by the Minister.

55 Meetings

The members of the Appointments Committee must meet at the times and places specified by the chair of the Committee.

56 Special inquiries

(1) The Appointments Committee may authorize a person

(a) to prepare a report or conduct an inquiry for the use of a Board of Revision or Appeal Panel, and

(b) authorize that person to enter property, business or inspect anything needed to be inspected for the report or inquiry, for the purposes of the report or inquiry.

(2) A person authorized under subsection (1) has the same powers and duties as an assessor under the *Alberta Municipal Assessment Corporation Act*.

57 Alternative methods of dispute resolution

(1) The Appointments Committee may establish or provide for the establishment of any means of dispute resolution that it considers appropriate, including mediation, conciliation and arbitration processes to deal with any issue arising under this Act or the regulations or a bylaw.

(2) A dispute in respect of which a person has a right of complaint or appeal under this or any other enactment may not be diverted to another dispute

resolution process without the consent of the complainant or appellant, and the other persons directly concerned with the complaint or appeal.

(3) The Appointments Committee may agree to appoint one or more of its members to act as an arbitrator under the *Arbitration Act*, or to appoint an arbitrator under that Act.

58 Fees for complaints, appeals and interventions

The Appointments Committee may prescribe fees to be paid by complainants, appellants or other persons seeking to be involved as a party, intervenor or participant in proceedings before a Board of Revision or Appeal Panel as a condition of commencing proceedings or being a party to or participating in the proceedings.

59 Rules of procedure

(1) The Appointments Committee may make or adopt rules of procedure for the conduct of proceedings before Boards of Revision and Appeal Panels, either generally or for particular hearings.

(2) A member of a Board of Revision may not be a member of an Appeal Panel set up to hear an appeal on the same matter.

Division 2
Staff and resources

60 Employees

In accordance with the *Public Service Act*, there must be appointed a secretary and such other employees or advisers as the Appointments Committee requires.

61 Report

(1) On or before March 31 each year, the Appointments Committee must give to the Minister a report for the preceding calendar year, showing its activities for that year.

(2) The Minister must table the Appointments Committee's report in the Legislative Assembly if it is then sitting or, if it is not sitting, within 15 days after the next sitting starts.

62 Immunity

The members and the secretary of the Appointments Committee, the members of Boards of Revision and Appeal Panels, and anyone acting on behalf of the Committee, a Board or a Panel is not personally liable for anything done or omitted to be done in good faith in the exercise or purported exercise of a power, duty or function under this or any other enactment.

63 Funding for the Committee, Boards and Panels

Expenditures related to

(a) the Appointments Committee and its members and employees, and

(b) Boards of Revision and Appeal Panels and their members,

must be paid from money appropriated by the Legislature for the purpose.

PART 5

OFFENCES AND PENALTIES AND TECHNICAL MATTERS

Division 1
Offences and penalties

64 Failure to give information

A person who is able to do so, and does not give the information required to be given under this Act or the regulations is guilty of an offence and liable on summary conviction to a fine of not more than $5000 and, in default of payment, to imprisonment for not more than 6 months, or both fine and imprisonment.

65 Fraud

A person who

(a) intentionally makes a false valuation or assessment,

(b) intentionally does not make a valuation or assessment,

(c) intentionally causes a name to be inserted on a property valuation notice or roll, assessment notice or roll or any supplementary notice or roll that is known to be wrong, or

(d) intentionally omits a name from a property valuation notice or roll, assessment notice or roll, or any supplementary notice or roll,

is guilty of an offence and liable on summary conviction to a fine not exceeding $10,000 and in default of payment to imprisonment for not more than 6 months, or both fine and imprisonment.

66 Valuations or assessments based on concealment or failure to disclose

(1) If property or a business which is liable to valuation or assessment in a year was not assessed, or was under-assessed, because of

(a) an assessed owner's intentional failure to disclose information, or

(b) an assessed owner's concealment of particulars relating to the property or business,

an assessor may value or assess the property or business on a special supplementary roll in the manner in which it should have been valued or assessed.

(2) A municipality may impose a tax rate in respect of property or business under subsection (1) retroactively in the same way that it could have imposed the rate if the special supplementary valuation or assessment had been properly made.

Division 2
Technical matters

67 Form of rolls

A valuation roll, assessment roll and any supplementary roll may be in whatever form that the Municipal Assessment Corporation considers appropriate, including a form that can be converted into a legible form by a machine or a device, for example language

(a) on microfilm

(b) in electronic, mechanical or magnetic storage, or

(c) in electronic data transmission signals.

68 Correction of valuation and assessment notices

The Municipal Assessment Corporation may correct an error or omission on a valuation or assessment notice or roll or supplementary valuation or assessment notice or roll at any time, unless it affects the assessed value of property or a business or the liability of a person under this or another enactment.

69 Property valuation rolls open for inspection

Property valuation rolls, assessment rolls and any supplementary rolls are all open to inspection during regular business hours.

70 Severability

The fact that one or more entries on a property valuation roll, assessment roll or any supplementary roll are wrong does not invalidate other entries on the roll, or the roll itself.

71 Proof of documents and service

(1) A copy of

(a) a property valuation roll or assessment roll,

(b) any supplementary roll, or

(c) a valuation notice, assessment notice or supplementary notice,

certified as a true copy by an authorized employee of the Municipal Assessment Corporation is evidence of the existence and validity of the roll or notice.

(2) A statutory declaration by a responsible officer of the Municipal Assessment Corporation is sufficient evidence that a valuation notice or an assessment notice was mailed on the date stated in the declaration.

PART 6
TRANSITIONAL PROVISIONS AND CONSEQUENTIAL AMENDMENTS

Division 1
Transitional provisions

72 Freeze on assessed values

The assessed values of property and businesses under the former *Municipal Taxation Act* and the former *Electric Power and Pipeline Assessment Act* are deemed to be the market value of the property and businesses from the date this Act comes into force until 1 January 1995.

73 First valuation under this Act

The first valuation under this Act and the regulations must be made effective as of July 1 1995.

COMMENT:

1 There are many transitional issues that will be dealt with when the policy questions are settled. Ministerial power to extend time lines may be needed.

2 The Juy 1 1995 effective date assumes this draft is enacted in 1992.

Division 2
Consequential amendments

Note that the following Acts are proposed for repeal in the recommended MGA.

Municipal Taxation Act (repeal but a lot of transitional issues)
Municipal and Provincial Valuation and Grants Act (MGA repeals)
Municipal Tax Exemption Act (MGA repeals)
Electric Power and Pipeline Assessment Act (MGA repeals)
Crown Property Municipal Grants Act (MGA repeals)

Acts potentially affected by this draft:

Alberta Government Telephones Act
Alberta Mortgage and Housing Corporation Act
Alberta Research Council Act
Condominium Property Act (amendments required)
Consumer Credit Transactions Act
County Act
Crown Cultivation Leases Act
Crowsnest Pass Municipal Unification Act
Department of Public Works, Supply and Services Act
Drainage Districts Act
Fire Protection Act
Hospitals Act
Irrigation Act ss106-130
Land Titles Act (?)
Libraries Act
Liquor Control Act
Local Authorities Board Act
Local Tax Arrears Consolidation Act
Municipal District of Bighorn No. 8 Incorporation Act
Municipal District of Brazeau No. 77 Incorporation Act
Municipal District of Clearwater No. 99 Incorporation Act
Municipal District of Cypress No. 1 Incorporation Act
New Towns Act
Northeast Alberta Regional Commission Act
Nursing Homes Act
Planning Act
Property Tax Reduction Act
Public Health Act
Public Lands Act
Recreation Development Act
School Act (major issues to be considered)
Special Areas Act
Tax Recovery Act
Telecommunications Act s18 grants to municipalities
Treasury Branches Act
University of Alberta Foundation Act

COMMENT: At least the following Acts will require a review:

- Cemetery Companies Act s23
- The Crown Cultivation Leases Act s2 (exemption from assessment)
- An Act to Exempt from taxation, the Real and Personal property of the Basilian Fathers and the Sisters of Immaculate Conception, Religious Orders, both of Mundare, Alberta, 1947, Ch. 85, s2
- An Act to Exempt from taxation Certain Property Owned by the Norwegian Lutheran Church of Canada at Camrose, Alberta, 1948, Ch. 91, s1
- An Act to Incorporate the Prairie Bible Institute, 1946, Ch. 78, s7
- An Act to amend the Act Incorporating Les Soeurs de Charite de la Providence des Territories du Norde Ouest, 1953, Ch. 125, s2 (s13a of the 1902 Ordinance)
- An Act to amend the Act Incorporating the Roman Catholic Bishop of the Apostolic Vicariate of Athabasca and the Roman Catholic Parishes and Missions in the Apostolic Vicariate of Athabasca, 1954, Ch. 113, s2 (new s7a to Ch. 50 of 1914)
- An Act to Incorporate the Fathers of the Salesian Society of Alberta, 1955, Ch. 82, s12
- An Act to amend the Acts relating to the Canadian Union College, 1951, Ch. 104, s2 (9a of Ch. 35, 1940)
- An Act to Incorporate the Mennonite Educational Society of Alberta, 1951, Ch. 108, s8
- An Act to amend an Ordinance to Incorporate Alberta College, 1956, Ch. 63, s2 (by s6a of Ch. 25, 1904)
- An Act to exempt from taxation the Real and Personal Property of the Mennonite Conference of Alberta used by it for the Site of the Mennonite Bible Institute near Didsbury, Alberta, 1956, Ch. 70, s1.
- Condominium Act - Historical Resources Act s41(1) (property of The Alberta Historical Resources Foundation).

Collecting school boards - Note to reader

Under s165 of the *School Act* certain school boards have the right to levy and tax. Section 165 reads:

165(1) A collecting board

(a) has, for the purpose of imposing, collecting, compromising and refunding taxes, all the powers with respect to the imposition and collection of taxes that are vested in a municipality by the Municipal Taxation Act and the Tax Recovery Act, and

(b) has and may exercise all the powers and duties of a municipality under this Act and the Municipal Government Act, but only to the extent that the power is not being exercised in the district by any other public authority.

(2) A collecting board that exercises any of the powers given by subsection (1)(b) shall

(a) prepare a separate budget in respect of those powers exercised,

(b) account separately for money received and expended for those purposes, and

(c) indicate in its tax notices the portion of its taxation, in mills, that is levied in respect of those powers exercised.

Under Part 1 of the *Municipal Taxation Act* (dealing with assessment) a municipality includes a collecting school district (s67 MTA).

The MTA has special provisions dealing with assessment for school purposes. Following s68 MTA, something along these lines may be needed:

(1) When, in accordance with the School Act, (property) is to be assessed for either public school or separate school purposes, the Alberta Municipal Assessment Corporation must accept a notice under Part 6, Division 2 of the School Act.

(2) The Alberta Municipal Assessment Corporation may from time to time require an owner of property to submit to it the notice referred to in subsection (1).

Note that the definition of "municipality" in this draft does not include a collecting school board. As there is only 1 collecting board in existence it is probably better to deal with this through an amendment to the *School Act* which says which powers the collecting board is to have by reference to the *Property Assessment Act*.

74 Repeal

The following Acts will likely be recommended for repeal:

(a) *Assessment Appeal Board Act*;

(b) *Municipalities Assessment and Equalization Act*;

(c) (industrial tax sections of the *Improvement Districts Act*);

(d) others to be reviewed. (See recommended MGA.)

MISCELLANEOUS:

1 Something along the following lines may be needed.

— *A collecting school board may pass a resolution directing the Municipal Assessment Corporation to prepare an assessment for business taxes raised for school purposes.*

2 Some rewriting of *School Act* provisions to cope with the repeal of various Acts and the likely elimination of equalized assessments will be needed.

SCHEDULE 1

Property that is exempt from valuation and assessment

Exemptions

(1) The following property is exempt from valuation and assessment

(a) a facility, works or system for

(i) the collection, treatment, movement or disposal of sanitary sewage, and

(ii) storm sewer drainage,

owned by the Crown in right of Canada, the Crown in right of Alberta, a municipality, or a regional municipal services commission, and the parcel of land, right of way or easement on which the facility, works or system is located;

(b) a facility, works or system for the storage, transmission, treatment, distribution or supply of water that is owned by the Crown in right of Canada, the Crown in right of Alberta, a municipality, or a regional municipal services commission, and the parcel of land, easement or right of way on which the facility, works or system is located;

(c) land and improvements owned by the Crown in right of Alberta in a municipal district, county, improvement district or special area that are not

(i) used or actively occupied by the Crown, or

(ii) occupied under an interest or right granted by the Crown;

(d) public roadways as defined in the *Planning Act*,[14] the road itself, and everything necessary to maintain the roadway, regulate road users and keep the roadway and the users safe;

(e) road allowances, unless they are occupied under a grazing lease, grazing licence or grazing permit;

(f) improvements, other than a farm residence, used for farming operations and located on farm property in a municipal district, county, improvement district or special area;

(g) linear property used exclusively for farming purposes on farm property;

(h) mines, minerals, oil and gas;

(i) growing crops.

(2) The following is exempt from valuation and assessment

(a) canals, dams, dykes, weirs, breakwaters, ditches, basins, reservoirs, cribs and embankments, and the parcels of land on which they are located;

(b) flood-gates, drains, tunnels, bridges, culverts, headworks, flumes, penstocks, aqueducts, devices and contrivances located at a dam and used in the operation of those installations, when the purpose is exclusively for water conservation or flood control, and the parcels of land on which they are located;

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14 "public roadway" in the *Planning Act* means:

(i) in a city, town, new town, village or summer village, the right of way of all or any of the following:
- (A) a local road,
- (B) a service road,
- (C) a street,
- (D) an avenue, or
- (E) a lane,

that is publicly used or intended for public use,

(ii) in a county, municipal district, improvement district or special area, the right of way of all or any of the following:
- (A) a controlled street or rural road as defined in the Public Highways Development Act, or
- (B) a service road or a land that is intended for public use,

(iii) a road, street or highway designated as a secondary road pursuant to the Public Highways Development Act, except those secondary roads numbered between 900 and 999,

and includes a public right of way on which no motor vehicle, as defined in the Motor Vehicle Administration Act, is permitted to operate;

(c) all those portions of installations referred to in clause (b) which are used in connection with water conservation or flood control and the parcels of land on which they are located, except any portion of the installation or land that is used for the generation or production of electric power;

(d) pipelines or works and transmission lines under construction unless they are capable of being used for the transmission of gas or oil or electricity or any other purpose.

SCHEDULE 2

Specially defined words

Definitions

"***Appeal Panel***" means an Appeal Panel appointed by the Appointments Committee under section 53;

"***Appointments Committee***" means the Committee established by the Lieutenant Governor in Council under section 52;

"***assessed business***" means a business assessed in accordance with a community assessment bylaw;

"***assessed owner***" means

(a) the person who is named on a property valuation roll or supplementary property valuation roll as the assessed owner of property,[15] or

(b) the person who is named on an assessment roll or supplementary assessment as the assessed owner of property or a business;

"***assessed property***" means

(a) property valued in accordance with Part 1 or the regulations, or

(b) property assessed in accordance with a community assessment bylaw;

"***assessed value***" means the value given to property in accordance with Part 1 and the regulations;

"***assessor***" means a person appointed as an assessor by the Municipal Assessment Corporation under the *Alberta Municipal Assessment Corporation Act*;[16]

"***Board of Revision***" means a Board of Revision appointed by the Appointments Committee under section 53;

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15 Section 4 specifies who the "assessed owner" is.

16 See section 12 of the proposed *Alberta Municipal Assessment Corporation Act*. Assessors could be full time employees of the Corporation or hired on contract.

"***business***" means

(a) a commercial, merchandising or industrial activity or undertaking,

(b) a profession, trade, occupation, calling or employment, and

(c) an activity providing goods or services,

whether or not for profit and in whatever form the business is practised, including a co-operative or association of persons, but does not include farming on farm property;[17]

"***community assessment bylaw***" means a bylaw under Part 3 to establish an assessment base in respect of which a community tax may be imposed;

"***community tax***" means a tax imposed by

(a) a business tax bylaw under section 254 of the recommended *Municipal Government Act*;

(b) a special tax bylaw under section 257 of the recommended *Municipal Government Act*;

(c) a provincially authorized municipal tax bylaw under section 260 of the recommended *Municipal Government Act*;

(d) a local improvement tax bylaw under section 279 of the recommended *Municipal Government Act*;

"***council***" has the same meaning as it has in the recommended *Municipal Government Act*;

"***farm property***" means

(a) farmland, being a parcel of land of at least one acre in size that is used for

  (i) planting or growing trees, shrubs or sod, for sale,

  (ii) raising or producing crops, livestock, pheasants or poultry, or

  (iii) fur production or beekeeping,

17 "farm property" is a defined term.

which generates an income sufficient to maintain a livelihood, and

(b) buildings and structures in, on, over or under farmland, whether or not they would be transferred without special mention by a sale of the parcel of land on which they are located;

"***improvements***" includes

(a) buildings and structures in, on, over or under a parcel of land, whether or not they would be transferred without special mention by a sale of the parcel on which they are located, and everything fixed to or integrated in the building or structure;

(b) everything that forms an integral part of an operational unit[18] that is designed for or used in

(i) processing or manufacturing, or

(ii) the production of natural resources,
whether or not it would be transferred without special mention by a sale of the parcel of land on which it is located;

(c) everything that forms an integral part of an operational unit designed for or used in connection with the excavation or transportation of coal or oil sands, as defined in section 1(1)(n) of the *Oil Sands Conservation Act*,[19] whether or not the machinery or equipment would be transferred without special mention by a sale of the parcel of land on which it is located, but does not include machinery or equipment that is exempted by the regulations[20] made under section 12(e);

(d) a mobile unit, (being a vacation trailer, house trailer or relocatable trailer, or a structure), whether the unit is ordinarily equipped with wheels or not, when the unit is located on land owned by

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18 The Court of Queen's Bench decided that portal cranes fell within this definition (as do silos in a cement plant - see *British Columbia Forest Products Ltd.* v. *AAA Board* (1984)).

19 The definition is:

(n) "oil sands" means
(i) sands and other rock materials containing crude bitumen,
(ii) the crude bitumen contained in those sands and other rock materials, and
(iii) any other mineral substances, other than natural gas, in association with that crude bitumen or those sands and other rock materials referred to in subclauses (i) and (ii).

20 The regulations are made by the Minister.

(i) the owner of the unit, or

(ii) a person in the process of purchasing the unit,

but not

(iii) a mobile unit occupied by a genuine tourist, or

(iv) a mobile unit intended for vacation use while it is not occupied for any purpose;

(f) everything that forms an integral part of an operational unit designed for or used in transmitting or receiving communication signals for public resale, whether or not the unit would be transferred without special mention by a transfer of the land on which it is located;

(g) anything described in clauses (a) to (f) being erected, placed, integrated or fixed to land or a building or structure, whether or not it is complete and whether or not it is capable of being used for the purposes for which it is designed or intended when it is complete, but not any parts, components or constituents of property that have not been erected, placed, integrated or fixed;

"***land and improvements***" means a parcel of land[21] with the improvements that are in, on, over or under it, including farm property but not linear property;

"***linear property***"[22]

(a) means an estate, right or interest, exclusive or not, which crosses or runs along, in, on, over or under a parcel of land, a road allowance, or a public roadway as defined in the *Planning Act*, and that is used for a facility, works or system

21 "parcel of land" is a defined term.

22 This definition is intended to include pipelines, transmission lines, cable T.V., railways, etc.

(i) to provide a public utility as defined in the recommended *Municipal Government Act*,[23]

(ii) to convey energy, vapour or gas, liquid or solid material, or a telecommunication[24] as defined in the *Telecommunication Act*,

(iii) to provide a system[25] as defined in the *Telecommunications Act*,

(iv) to provide a railway line and related facilities, and

(v) to provide any other public benefit or convenience, and

(b) includes

(i) the facility, works or system itself, buildings and structures, and everything necessary to generate, convey, transport, distribute, operate, maintain and regulate the facility, works or system, and keep it and its function safe, and

(ii) the area of land on which an oil or gas well site is located, the well itself, buildings and structures, and everything necessary to operate, maintain and regulate the well and keep it and its function

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23 "public utility" is defined in the recommended *Municipal Government Act* as:

"public utility" means a system or works requiring a road, public place or watercourse for its construction, operation or maintenance, which provides, for public consumption, benefit, convenience or use,

(a) water or steam;
(b) sewage disposal;
(c) public transportation;
(d) irrigation;
(e) natural gas;
(f) electric power;
(g) heat;
(h) anything else specified by a council;

24 "telecommunication" is defined in the *Telecommunications Act* as follows:

"telecommunication" means any transmission, emission or reception of signs, signals, writings, images, sounds, data, message or intelligence of any nature by wire, radiocommunication, cable, waves or any electronic, electromagnetic or optical means but does not include the transmission, emission or reception of broadcasting that is a radiocommunication in which the transmissions are intended for direct reception by the general public.

25 "system" is defined in the *Telecommunication Act* as follows:

"system" means a telecommunication system and includes all land, plant, supplies, buildings, works, rights, franchises, easements, assets and property of every kind owned, held, required or used for the purpose of, or in connection with, or for the operation of the telecommunication system;

safe,

but does not include other land and improvements;

"***Minister***" means the Minister of Municipal Affairs;

"***Municipal Assessment Corporation***" means the Alberta Municipal Assessment Corporation established by section 2 of the (proposed) *Alberta Municipal Assessment Corporation Act*;

"***municipality***" has the same meaning as it has in the recommended *Municipal Government Act*;

"***parcel of land***" means

(a) the aggregate of the one or more areas of land described in a certificate of title or described in a certificate of title by reference to a plan filed or registered in a land titles office,

(b) the aggregate of the one or more units described or referred to in a condominium plan registered in a land titles office,[26] and

(c) an area of unpatented land owned by the Crown in right of Canada or the Crown in right of Alberta that is the subject of a right or interest granted by either Crown,

but if a parcel of land described in clauses (a) to (c) is located in more than one municipality, each part of the parcel that falls within the boundaries of a municipality is considered to be a separate parcel of land;

"***property***" means

(a) land and improvements, and

(b) linear property.

26 Condominium plans are registered with the Land Titles Office in accordance with the *Condominium Property Act*.

SCHEDULE 3

Examples

For each example assume that the Act is in force.

Example 1 - dwelling house

Assume a valuation is done in May 1991 for the 1991 property valuation roll. The assessor values the property (i.e., the land and house) as at July 1 1991. The assessor assumes that what he or she sees in May 1991 would exist on July 1 1991.

Once the property is entered on the property valuation roll for 1991 it, and all the other assessed properties on the same roll, would be subject to the property tax bylaw imposed by the municipality in 1992.

Example 2 - dwelling house which has had an addition made to it

Assume it is now 1992. A major addition was completed to the house in October 1991, after the property was valued and put on the 1991 property valuation roll.

If the municipality has requested a supplementary valuation, the assessor must increase value of the house as of December 31 1991. That supplementary valuation (i.e., the increased value) goes on a 1991 supplementary valuation roll.

The supplementary valuation will then be subject to the 1992 supplementary property tax bylaw for the period during 1991 that the addition was completed or occupied.

Example 3 - complaints and appeals

Assume you receive a valuation notice for your property in October 1991. The valuation seems very high and you suspect that it is higher than for neighbouring properties.

First you would probably check the property valuation roll at your municipality. You find that the assessed value of your house is higher than for neighbouring properties.

Then you might want to ask the Municipal Assessment Corporation to show you the valuation record for your property and the valuation record of comparable properties to see if there is a reason for the different values. You are not satisfied.

You can then file a complaint with the Board of Revision (remember the complaint must be filed within 30 days of the date the valuation notice was mailed to you). Assume the Board of Revision confirms the valuation.

If you are still not satisfied, you can appeal to an Appeal Panel, as long as you make the appeal within 21 days of the Board of Revision's decision. At the Appeal Panel (as at the Board of Revision), the municipality or Municipal Assessment Corporation could also argue about what the valuation should be.

The Appeal Panel could decide that the assessed value of your property was not consistent with that of comparable properties. It would order that the property be revalued or that the roll be changed.

The new valuation will be the amount on which the municipality will impose a tax under the *Municipal Government Act* by its property tax bylaw in 1992.

EXEMPTIONS FROM ASSESSMENT AND TAXATION

Comparative Table

April 1991

(Prepared for convenience of reference only)

COMPARATIVE TABLE

As at April 1991, table comparing exemptions from assessment and taxation in

(a) Municipal Taxation Act,
(b) Municipal and Provincial Properties Valuation Act,
(c) Electric Power and Pipeline Assessment Act,

<u>with</u> the exemptions in the recommended Municipal Government Act and proposed Property Assessment Act.

Old provision	Proposed provision
s24(1)(b) MTA Schools Exempt assessment (b) school buildings and school land owned by the operator of a private school, if the buildings and land are exempted by the Minister of Education from assessment, or by a school district or school division unless the buildings and land are exclusively used for other than school purposes; (b.1) all dormitories, offices, garages, workshops and warehouses, owned and occupied by a school district or school division, and all buildings, other than school buildings, if used or intended to be used solely for the purpose of a school, and the land necessary as the site for any such buildings;	s228(a) MGA Exempt taxation (a) land and improvements owned by (i) the board of trustees of a school district or school division, or (ii) the operator of a private school registered under the *Department of Education Act*, that is used only for educational purposes; But note s2(e) MPPVA exempts from valuation real property owned or leased from the Crown by a municipality which is used for a school. This has not been carried forward.

Old provision	Proposed provision
s24(1)(c) and (d) MTA Exempt assessment Churches (c) one or more parcels of land to the extent in each case of (i) 1 acre in the aggregate when situated in a city, town, new town, village or summer village, (ii) 4 acres in the aggregate when situated in any other municipality, or (iii) any area greater than the area referred to in subclause (i) or (ii) that may be exempted by bylaw if the parcels are held by or for the use of any religious body and are (iv) the site of a building chiefly used for divine service, public worship or religious education, or (v) used exclusively as a parking area and solely in connection with the specified uses of the building described in subclause (iv); (c.1) a building or any part of it (i) situated on land held by or for the use of any religious body, and (ii) which is chiefly used for divine service, public worship or religious education, but exclusive of any part of the building which is chiefly used for other purposes;	s228(b) MGA Exempt taxation (b) land and improvements owned by a religious body that is used chiefly for (i) divine worship, (ii) public worship, or (iii) religious education, and land that is used exclusively as a parking area in connection with the worship or education; Note change from "held" to "owned".

Old provision	Proposed provision
s24(2) MTA (2) If a parcel would be exempt from assessment under subsection (1)(c) except that the area of the parcel exceeds the maximum area prescribed by that clause or by the bylaw referred to in that clause, the amount of the assessment for that parcel shall be the proportion of the amount that would be the assessment in the absence of this subsection that (a) the area of the parcel in excess of the maximum area prescribed by subsection (1)(c) or the bylaw, as the case may be, bears to (b) the total area of the parcel.	Not carried forward. This placed further requirements on exemptions for a religious body.
s24(1)(d) MTA Exempt assessment s2(d) MPPVA Exempt from valuation (no conditions on size) Cemetery (d) land in use as a cemetery to the extent of 25 acres and any area in excess of the 25 acres that has been conveyed or transferred by the owner of the cemetery to individuals as lots or plots for the sole purpose of burial sites, together with any building or structure on the land used for burial purposes but exclusive of any other building or structure on the land;	s228(c) MGA Exempt taxation (c) land and improvements used or intended to be used exclusively for burial purposes or as a cemetery;
s24(1)(d.1) MTA Exempt assessment Municipal seed cleaning plant (d.1) two-thirds of the value of the improvements as determined for assessment purposes of any municipal seed cleaning plant constructed under an agreement authorized by section 11 of the *Agricultural Service Board Act*;	Not carried over.

Old provision	Proposed provision
s24(1)(e) and (f) MTA Exempt assessment Hospitals (e) land owned and used in connection with and for the purposes of a hospital receiving aid from the Government under any Act and on which is situated a building used as a hospital or in connection therewith; (f) a building mentioned in clause (e) while owned and used as a hospital or in connection therewith, including a nurses' residence, but not including a dwelling;	s228(d) MGA with slight modifications Exempt taxation (d) land and improvements (i) used for hospital purposes, or in connection with a hospital, that are owned by the board of directors of a hospital district that receives financial assistance from the Crown in right of Alberta under any Act, or (ii) operated as a student nurses residence, but not including other nurses' residences, or land and improvements used for parking; But note that this would not cover everything exempted from valuation in s2(e) MPPVA, i.e., real property owned or leased from the Crown by a municipality used for or in connection with hospitals, treatment centres and clinics.
s24(1)(g) MTA Exempt assessment Minerals (g) all minerals;	Schedule 1 s(1)(h) P.A.A. Exempt assessment (h) mines, minerals, oil and gas;
s24(1)(h) MTA Exempt assessment Farm buildings (h) farm buildings to the extent that they are used for farming operations;	Schedule 1 s(1)(f) P.A.A. Exempt assessment (f) improvements, other than a farm residence, used for farming operations and located on farm property in a municipal district, county, improvement district or special area;

Old provision	Proposed provision
s24(1)(z) MTA and s3(1)(b) and (c) and (2) Electric Power and Pipeline Assessment Act Exempt assessment Gas systems (z) the inlet valve and outlet valve and any installations, materials, devices, fittings, apparatus, appliances, pipe equipment and plant machinery between those valves in any regulating or metering station (i) that is owned or operated by a municipality, or a rural gas co-operative association organized under the *Co-operative Associations Act*, or (ii) that is part of a system that services a hamlet, village, summer village, town, new town or a school district empowered under the *School Act* to levy taxes, with a population of less than 500, or a system where the majority of customers are rural gas consumers, as defined by the regulations. (b) pipelines and works and transmission lines owned or operated by an association (as defined in the *Co-operative Associations Act* or the *Rural Utilities Act*) having as its principal object the supplying of gas or electricity to its members; (c) any part of a gas distribution system the majority of whose customers are consumers residing in a county, municipal district, improvement district or special area, but excluding those parts located in an urban community. (2) In this section "urban community" means a hamlet, collecting school district, village, summer village, town or city the population of which is greater than the maximum population figure prescribed by the regulations. (c) any	s229(2)(c) MGA Exempt taxation (c) energy lines forming part of a gas distribution system the majority of whose customers reside in (i) a county, municipal district, improvement district or special area, or (ii) a hamlet, village, summer village, town, new town, or a school district having power to levy taxes under the *School Act*, with a population of less than 500, but not including those parts located in a city, or a community described in subclause (ii) with a population of 500 or more.

Old provision	Proposed provision
s4(b), (c), (d) and (e) EPPA and s24(1)(k) MTA Exempt assessment Irrigation works (b) canals, dams, dykes, weirs, breakwaters, ditches, basins, reservoirs, cribs and embankments; (c) flood-gates, drains, tunnels, bridges, culverts, headworks, flumes, penstocks, aqueducts, devices and contrivances located at a dam and used in the operation of any such installations, when the purpose is exclusively for water conservation or flood control; (d) all those portions of installations referred to in clause (c) which are used in connection with water conservation or flood control except any portion of them used for the generation or production of electric power; (e) land used for the construction, maintenance, operation or abandonment of the structures, devices and installations referred to in clauses (b), (c) and (d) when those structures, devices or installations are situated thereon and exclusively used for water conservation, flood control or the generation or production of electric power; (k) irrigation works (as defined in the *Irrigation Act*) and the land on which those works are located when they are held by the board of directors of an irrigation district, except buildings used for residential purposes and the land on which those buildings are located;	s228(k) MGA (Note differences) Exempt taxation (k) land and improvements (i) owned by an irrigation district, or (ii) used or intended to be used exclusively for water conservation or flood control, but not including any portion of land or improvements used or intended to be used to produce electric power or for residential purposes. Schedule 1 s(2)(a), (b), (c), and (d) PAA (a) canals, dams, dykes, weirs, breakwaters, ditches, basins, reservoirs, cribs and embankments, and the parcels of land on which they are located; (b) flood-gates, drains, tunnels, bridges, culverts, headworks, flumes, penstocks, aqueducts, devices and contrivances located at a dam and used in the operation of those installations, when the purpose is exclusively for water conservation or flood control, and the parcels of land on which they are located; (c) all those portions of installations referred to in clause (b) which are used in connection with water conservation or flood control and the parcels of land on which they are located, except any portion of the installation or land that is used for the generation or production of electric power; (d) pipelines or works and transmission lines under construction unless they are capable of being used for the transmission of gas or oil or electricity or any other purpose.

Old provision	Proposed provision
s24(1)(h.1), (i) and (i.1) MTA Exempt assessment (h.1) improvements or parts of improvements situated outside a city, town, new town, village, summer village or a hamlet as defined in the *Municipal Government Act* on land other than farm land and used exclusively (i) as a greenhouse, (ii) to store crops, or (iii) to house livestock or poultry, other than for commercial purposes, to the extent prescribed by the Minister under section 3(6); (i) farm residences to the extent prescribed by the Minister under section 3(6); (i.1) residences situated outside a city, town, new town, village, summer village or a hamlet as defined in the *Municipal Government Act*, to the extent prescribed by the Minister under section 3(6);	Not carried forward in P.A.A.
s24(1)(j) MTA Exempt assessment Crops (j) growing crops;	Schedule 1 s(1)(i) P.A.A. Remain exempt from assessment.
s24(1)(l) MTA and s4(g) EPPA Exempt assessment but subject to valuation Crown property (l) every right, title or interest of the Crown in any property;	s229(1) MTA Exempt taxation but subject to a grant (1) A right, title or interest of the Crown cannot be taxed under a property tax bylaw.

Old provision	Proposed provision
S24(1)(m) MTA Exempt assessment (m) land held under a homestead or cultivation lease from the Government;	s234(3)(f) MGA Exempt grant (f) land held under a crop share homestead lease that is exempt from assessment and taxation under the *Crown Cultivation Leases Act*; Check if differences here.
s24(1)(n) MTA Exempt assessment (n) improvements or parts of an improvement constructed in conformity with standards recommended by the Government of Canada to provide protection from fallout to the extent of $100 of assessed value for each occupant according to designed capacity;	Omitted from proposed drafts.

Old provision	Proposed provision
s24(1)(p) and (q) MTA Exempt assessment (p) subject to section 25(1)(h), all property held by (i) the board of governors of a university under the *Universities Act*, (ii) the board of governors of a technical institute under the *Technical Institutes Act*, (iii) the board of governors of a public college under the *Colleges Act*, and (iv) the governing body of any educational institute affiliated with a university under the *Universities Act*; (q) subject to section 25(1)(i), all property held by (i) a students' union of a university, (ii) a graduate students' association of a university, (iii) a students' association of a technical institute, or (iv) a students' association of a public college;	s229(2)(a) and (b) MGA Exempt taxation (a) land and improvements owned by (i) the board of governors of a university under the *Universities Act*, (ii) the board of governors of a technical institute under the *Technical Institutes Act*, (iii) the board of governors of a public college under the *Colleges Act*, and (iv) the governing body of an educational institution affiliated with a university under the *Universities Act*, except for land and improvements used for residential purposes; (b) land and improvements owned by (i) a students' union of a university, (ii) a graduate students' association of a university, (iii) a students' association of a technical institute, or (iv) a students' association of a public college, except for property used for residential purposes; Note change from "held" to "owned".
s24(1)(r) MTA Exempt assessment (r) all income;	Not explicitly exempted <u>but not assessable</u> under proposed provisions, so not taxable.

Old provision	Proposed provision
s24(1)(s) MTA (s) all property that has been exempted from assessment and taxation, in whole or in part by a specific agreement entered into by the council prior to July 1, 1967, but only during the life of the agreement and only to the extent of the exemption granted in the agreement;	Not carried forward in proposed drafts.
s24(1)(t) MTA Exempt assessment (t) property specially exempted by law;	s232 MGA Exempt taxation (1) Even though land or improvements are exempt from municipal tax under a private Act, they may be taxed under a property tax bylaw if council, by bylaw, specifically so declares. (2) Subsection (1) applies despite any private Act and regardless of whether the private Act is passed before or after this Act comes into force.
s24(1)(u) MTA Exempt assessment (u) land held under a forest management agreement or a forest management lease from the Government and the Crown timber thereon;	s246 MGA Exempt taxation (Special rules about who is liable to pay tax.)
s24(1)(v) MTA Exempt assessment (v) land and improvements vested in any library board established under the *Libraries Act* and that are used mainly for the purposes of a library;	s228(1)(e) MGA Exempt taxation (e) land and improvements owned by a library board established under the *Libraries Act* that are used chiefly for library purposes;

Old provision	Proposed provision
s24(1)(w) and (w.1) MTA Exempt assessment (w) waterworks supply, distribution system and metering facilities used primarily for the purpose of providing a domestic water supply service when owned or operated by an individual or corporation; (w.1) a water conveyance system operated in connection with a manufacturing or processing plant, including any facilities designed and used to treat water to meet municipal standards, but not including any buildings, structures, pipes, equipment, machinery, fittings, devices, apparatus or other things designed and used for (i) further treatment of the water supply to meet specific water standards required for purposes of the manufacturing or processing operation; (ii) the purposes of water reuse; (iii) fire protection; (iv) the production or transmission of a natural resource;	s228(f) and (g) MGA Exempt taxation (f) a waterworks supply, waterworks distribution system and water metering facilities used chiefly to provide domestic water supply service, and systems used to treat and dispose of domestic sewage; (g) a water conveyance system operated in connection with a manufacturing or processing plant, including any facilities designed and used to treat water to meet municipal standards, but not including anything designed and used for (i) the further treatment of water supply to meet specific water standards for a manufacturing or processing operation; (ii) water reuse; (iii) fire protection; (iv) the production or transmission of a natural resource;
s24(1)(w.2) MTA Exempt assessment (w.2) a sewage conveyance system operated in connection with a manufacturing or processing plant, including any facilities designed and used to treat and dispose of normal domestic sewage, but not including any buildings, structures, pipes, equipment, machinery, fittings, devices, apparatus or other things designed and used for treatment of any other effluent from the manufacturing or processing operation;	s228(h) MGA Exempt taxation (h) a sewage conveyance system operated in connection with a manufacturing or processing plant, (i) including any facilities designed and used to treat and dispose of normal domestic sewage, but (ii) not including anything designed and used for treatment of other effluent from the manufacturing or processing operation;
s24(1)(x) MTA Exempt assessment (x) land and improvements owned and operated by a non-profit organization while used chiefly for the purpose of providing living accommodation for senior citizens or persons suffering from a physical or mental disability;	s228(i) MGA Exempt taxation (i) land and improvements owned and operated by a not for profit organization while used chiefly to provide living accommodation for senior citizens or persons suffering from a physical or mental disability;

Old provision	Proposed provision
s24(1)(y) MTA Exempt assessment (y) land and improvements owned by a foundation established under the *Senior Citizens Housing Act* or operated by a non-profit organization pursuant to section 12 of that Act, while used chiefly for the purpose of providing living accommodation for senior citizens;	s228(j) MGA Exempt taxation (j) land and improvements owned by a foundation established under the *Senior Citizens Housing Act* or operated by a not for profit organization under section 12 of that Act, while used chiefly to provide living accommodation for senior citizens;
s24(1)(a) MTA Exempt assessment Personal property (a) all personal property except personal property that is expressly declared by this Act to be assessable;	Not explicitly carried forward, but not included in what may be assessed, so not taxable.
s26 MTA Not exempt Liquor 26 Notwithstanding sections 24 and 25 or any other Act, an improvement, or part thereof, licensed pursuant to the *Liquor Control Act* is nevertheless liable to assessment and taxation by a municipality for all of the purposes set forth in section 93.	s233 MGA Remains liable to taxation If an improvement or any part of it is licensed under the *Liquor Control Act* it is liable to property tax for all purposes even though it is included in an improvement that is exempt under this Part. Note: Check it is assessable.
s24(1)(o) MTA Exempt assessment (o) property assessable under the *Electric Power and Pipe Line Assessment Act*;	Not carried forward but <u>should be</u> either exempted assessment or taxation.
s24(3) MTA (3) Notwithstanding the exemptions enumerated in subsection (1), all land, including land otherwise exempt in a municipality, is liable to assessment and taxation for local improvements and for frontage tax.	PAA Schedule 1 lists exemptions from assessments for local improvement tax.
s4(a) *Electric Power and Pipeline Act* Exempt assessment (a) works and transmission lines and pipelines used exclusively for farm services;	Schedule 1 s(1)(g) P.A.A. Exempt assessment (g) linear property used exclusively for farm purposes on farm property;

Old provision	Proposed provision
s4(f) *Electric Power and Pipeline Act* Exempt assessment (f) pipelines or works and transmission lines under construction unless they are capable of being used for the transmission of gas or oil or electricity or any other purpose;	Schedule 1 s(2)(f) P.A.A. (f) pipelines or works and transmission lines under construction unless they are capable of being used for the transmission of gas or oil or electricity or any other purpose.
s24(1)(a.1) MTA and s2(a) and (b) *Municipal and Provincial Properties Valuation Act* Exempt assessment and valuation (a.1) land and improvements, including water and sewer systems, (i) owned by a municipality, (i.1) owned by a regional services commission established under the *Regional Municipal Services Act*, or (ii) held under lease, licence or permit from the Crown by a municipality; 2 The assessor of every municipality shall prepare a valuation of all land and improvements within the municipality that are owned by a municipality or leased from the Crown by a municipality and that are not assessable and taxable under any other Act, including gas, electric light and power, street lighting, transportation and telephone systems, or parts thereof, and the machinery, fixtures, structures and other things used for or that form part of such systems, but not including (a) sanitary and storm sewer systems, (b) water systems, and s3(e) MPPVA "sanitary and storm sewer systems"	Remains exempt from assessment Schedule 1 (1)(a) and (b) PAA (a) a system or facility for (i) the collection, treatment, movement or disposal of sanitary sewage, and (ii) storm sewer drainage, owned by the Crown in right of Canada, the Crown in right of Alberta, a municipality or a regional municipal services commission, and the parcel of land, right of way or easement on which the system or facility is located; (b) a facility, works or system for the storage, transmission, treatment, distribution or supply of water that is owned by the Crown in right of Canada, the Crown in right of Alberta, a municipality, or a regional municipal services commission, and the parcel of land, easement or right of way on which it is located. (Please compare these for changes and for overlaps with s228(f) and (g) MGA.) Note change from "held" to "owned".
s3(a) Electric Power and Pipeline Assessment Act Exempt assessment (a) pipelines and works and transmission lines owned or operated by a municipality;	Not carried forward except for Schedule 1 s(1)(a) and (b) P.A.A. (above).

Old provision	Proposed provision
s3(g) MPPVA Exempt valuation (g) real property situated outside a city, town or village that is not (i) used or actively occupied by the Crown, or (ii) occupied under a lease, licence, permit or agreement for sale;	Schedule 1 s(1)(c) PAA Exempt valuation (c) Land and improvements owned by the Crown in right of Alberta in municipal districts, counties, improvement districts and special areas that are not (a) used or actively occupied by the Crown, or (b) occupied under a right or other interest granted by the Crown, are exempt from valuation under this Act and the regulations.
s2(c) and s3(a) MPPVA Exempt valuation (c) streets, lanes, roadways or road allowances, (a) highways, streets, lanes, roadways and road allowances;	Schedule 1 s(1)(d) and (e) PAA Exempt valuation (d) public roadways as defined in the *Planning Act*, and the road itself, and everything necessary to maintain the roadway, regulate road users and keep it and the users safe. (e) road allowances, unless they are occupied under a grazing lease, grazing license or grazing permit;
s2(d) MPPVA and s3(b) Crown or municipally owned Parks and museums Exempted from valuation.	s234(3)(b) MGA Crown owned Parks or museums Exempted from payment instead of tax
s3(d) MPPVA Crown owned Exempt valuation Real property used for or in connection with hospitals for mental institutions.	s234(3)(d) MGA Crown owned Exempt payment (d) land and improvements used for or in connection with hospitals and mental institutions;
s3(c) MPPVA Crown owned Exempt valuation (c) real property used for or in connection with universities or colleges or academic, trade, forestry or agricultural schools, other than buildings used for residential purposes and the land used in connection therewith;	s234(3)(c) MGA Exempt payment (c) land and improvements used for or in connection with academic, trade, forestry or agricultural schools, colleges or universities;

Old provision	Proposed provision
s3(f) MPPVA Exempt valuation Public works reserves	s234(3)(a) MGA Exempt payment (a) land and improvements forming part of an undertaking in respect of the conservation, irrigation, reclamation, rehabilitation or reforestation of land; See also s234(3)(g) (g) environmental reserves, municipal reserves, school reserves, municipal and school reserves, and other undeveloped properties reserved for municipal utilities or services;
s3(b) MPPVA Exempt valuation Road side camps and picnic grounds	s234(3)(h) MGA Exempt payment Roadside camps and picnic grounds
s3(b) MPPVA Crown owned Exempt valuation Provincial parks, historical sites and monuments.	Not carried over.
s3(h) MPPVA Crown owned Exempt valuation Real property leased to or occupied by a person from whom the municipality may, by reason of his interest in the property, levy and collect a municipal tax.	Not carried forward.
	s234(3)(e) MGA Exempt payment of grant (e) land and improvements used for or in connection with a forestry tower that is not accessible by road.
s25(1)(d) MTA Conditionally exempt (d) land on which is situated a nursing home administered under the *Nursing Homes Act*, together with the improvements thereon while used for the purposes set forth in that Act;	s230(1)(b) MGA Conditionally exempt taxation (b) land and improvements used for a nursing home administered under the *Nursing Homes Act*;

Old provision	Proposed provision
s25(1)(a) MTA Conditionally exempt (a) land held by and for the use of any agricultural society, organized or formed under the *Agricultural Societies Act* together with any improvements on it and so held and used;	s230(1)(c) MGA Conditionally exempt taxation (c) land and improvements owned and used by an agricultural society organized or formed under the *Agricultural Societies Act*; Note change from "held" to "owned".
s25(1)(c) MTA Conditionally exempt (c) land occupied by Ducks Unlimited (Canada) by lease or licence from the Crown together with any improvements on it used in connection with it;	s230(1)(f) MGA Conditionally exempt taxation (f) land and improvements owned or occupied by lease or license from the Crown or a municipality and used chiefly for Ducks Unlimited (Canada);
s25(1)(b) and (e) MTA Conditionally exempt (b) land not exceeding 5 acres that is held by a non-profit organization and that (i) forms the site of any improvements used chiefly for community purposes, (ii) is used solely for community games, sports, athletics or recreation, or (iii) is used solely for senior citizen recreational purposes, together with the improvements on it that are used for the purposes specified in subclause (i), (ii) or (iii); (e) land not exceeding 20 acres in extent, or a greater area authorized by a bylaw of the council, together with improvements thereon owned or held under lease from a municipality or the Crown by a non-profit organization and used chiefly as a summer camp;	s230(1)(a) MGA (Note changes.) Conditionally exempt taxation (a) land owned or leased from the Crown or a municipality by a not for profit organization, and any improvements on it, used chiefly for (i) a charitable, educational, religious, benevolent or welfare purpose that is to the general community advantage or (ii) community games, sports, athletics or recreation or other similar activities, (iii) a senior citizen centre, or (iv) a recreation camp;
s25(1)(f) MTA conditionally exempt (f) land together with improvements on it owned or held under lease by the Canadian Youth Hostel Association and not being operated for profit or gain while used exclusively for the purposes of the Association;	s230(1)(d) MGA Conditionally exempt taxation (d) land and improvements owned or leased by and used exclusively for the Canadian Youth Hostel Association if they are not operated for profit or gain;

Old provision	Proposed provision
s25(1)(g) MTA Conditionally exempt (g) land together with improvements thereon owned or held under lease from the Crown by a branch or local unit of the Royal Canadian legion, the Army, Navy and Air Force Veterans in Canada, and any other organization of ex-servicemen from time to time approved by the Minister, if and so long as the property is used chiefly for the purposes of the branch or local unit;	s230(1)(e) MGA Conditionally exempt taxation (e) land and improvements owned or leased from the Crown and used chiefly for a branch or local unit of the Royal Canadian Legion, the Army, navy and Air Force Veterans in Canada or other organization of former members of the armed forces approved by the Minister;
s25(1)(h) MTA Conditionally exempt (h) buildings held by (i) the board of governors of a university under the *Universities Act*, (ii) the board of governors of a technical institute under the *Technical Institutes Act*, (iii) the board of governors of a public college under the *Colleges Act*, and (iv) the governing body of any educational institute affiliated with a university under the *Universities Act*, and used for residential purposes, and the land used in connection with them;	s229(2)(a) MGA No longer conditionally exempt (a) land and improvements owned by (i) the board of governors of a university under the *Universities Act*, (ii) the board of governors of a technical institute under the *Technical Institutes Act*, and (iii) the board of governors of a public college under the *Colleges Act*, and (iv) the governing body of an educational institution affiliated with a university under the *Universities Act*, except for land and improvements used for residential purposes; Note change from "held" to "owned".
s25(2) and (3) MTA Conditionally exempt property (2) A property assessed in accordance with a bylaw passed pursuant to this section is liable to the levy of a tax for all purposes referred to in section 93, except those set out in section 93(1)(d), (f), (g) and (h). (3) Notwithstanding the exemptions enumerated in subsection (1), all land, including land otherwise exempt in a municipality, is liable to assessment and taxation for local improvements and for frontage tax.	s230(2) MGA Conditionally exempt property from taxation (2) The land and improvements described in subsection (1) are exempt from taxation under a property tax bylaw in respect of (a) the requisitions for health, education and other services under section 241(1)(a), and (b) any other purpose for which a municipality becomes liable to pay under this or another enactment or by an agreement (see section 241(1)(c)),

Old provision	Proposed provision
s25(1)(i) MTA Conditionally exempt (i) buildings held by (i) a students' union of a university, (ii) a graduate students' association of a university, (iii) a students' association of a technical institute, or (iv) a students' association of a public college, and used for residential purposes, and the land used in connection with them.	s229(2)(b) MGA No longer conditionally exempt (b) land and improvements owned by (i) a students' union of a university, (ii) a graduate students' association of a university, (iii) a students' association of a technical institute, or (iv) a students' association of a public college, except for property used for residential purposes; Note change from "held" to "owned".